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January 12, 2010

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

RECORDATION NO. 28503 FILED

JAN 12 '10 -5 00 PM

SURFACE TRANSPORTATION BOARD

Dear Section Chief:

Enclosed for recording with the Surface Transportation Board are one original and one counterpart of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code:

Railcar Master Lease Agreement dated 8/19/09

Lessor: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue
Investors Building, #700
Minneapolis, MN 55402

Lessee: Strata Corporation
728 Red Dot Place
Grand Forks, ND 58203

Equipment: 100, Open-top Hoppers
BGSX 122400-122499

Please record this agreement as a primary document. The filing fee of \$41 is enclosed.
Thank you.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosure

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SURFACE TRANSPORTATION BOARD

Railcar Master Lease No. 06725

RAILCAR MASTER LEASE AGREEMENT

This Railcar Master Lease Agreement ("Master Lease"), dated as of August 19, 2009, is by and between Wells Fargo Equipment Finance, Inc., a Minnesota corporation with its principal place of business at 733 Marquette Avenue, Investors Building, Suite 700, Minneapolis, MN 55402, as Lessor ("Lessor"), and Strata Corporation, a North Dakota corporation with its principal place of business at 728 Red Dot Place, Grand Forks, ND 58203, as Lessee ("Lessee").

1. **LEASE.** Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to lease from Lessor, the railroad rolling stock and other items of personal property described in a Supplement or Supplements to this Master Lease from time to time signed by Lessor and Lessee upon the terms and conditions set forth in this Master Lease and in the related Supplement (such property together with all replacements, substitutions, parts, improvements, repairs, and accessories, and all additions incorporated therein or affixed thereto being referred to herein as the "Equipment"). Each Supplement shall constitute a separate lease incorporating the terms of this Master Lease. References in this Master Lease to "this Lease", "hereunder" and "herein" shall be construed to mean a Supplement which incorporates this Master Lease. Lessee's execution of a Supplement shall obligate Lessee to lease the Equipment described therein from Lessor. No Supplement shall be binding on Lessor unless and until executed by Lessor. Anything to the contrary notwithstanding, Lessor shall have no obligation to accept, execute or enter into any Supplement or to acquire or lease to Lessee any equipment. Title to all Equipment shall at all times remain in Lessor.

2. **TERM.** The term of this Lease shall begin on the Rent Commencement Date shown in the applicable Supplement and shall continue for the number of consecutive months from the Rent Commencement Date shown in such Supplement (the "initial term") and any exercised renewal terms unless earlier terminated by Lessor as provided herein. The Rent Commencement Date is the 15th day of the month in which all of the items of Equipment described in the related Supplement have been delivered and accepted by Lessee if such delivery and acceptance is completed on or before the 15th of such month, and the Rent Commencement Date is the last day of such month if such delivery and acceptance is completed during the balance of such month. In the event Lessee executes the related Supplement prior to delivery and acceptance of all items of Equipment described therein, Lessee agrees that the Rent Commencement Date may be left blank when Lessee executes the related Supplement and hereby authorizes Lessor to insert the Rent Commencement Date based upon the date appearing on the delivery and acceptance certificate signed by Lessee.

At the expiration of the initial term, unless Lessee shall have renewed the Lease or purchased the Equipment from Lessor, if Lessee does not return to Lessor all of the Equipment that is the subject of a Supplement in accordance with paragraph 15 below, Lessee shall pay to Lessor an amount equal to the monthly Basic Rental Payment that was in effect during the last month of the initial term for each month (or part of any month), and shall comply with all other provisions of this Lease, from the first day after the expiration of the initial term until all such Equipment has been returned to Lessor in accordance with paragraph 15. In addition, Lessee shall pay any applicable sales and use tax.

3. **RENT.** Lessee shall pay as basic rent for the initial term of this Lease the amount shown in the related Supplement as Total Basic Rent. The Total Basic Rent shall be payable in installments each in the amount of the Basic Rental Payment set forth in the related Supplement plus applicable sales and use tax thereon. Lessee shall pay advance installments and any security deposit, each as shown in the related

Supplement, on the date it is executed by Lessee. Subsequent installments shall be payable on the first day of each rental payment period shown in the related Supplement beginning after the first rental payment period; provided, however, that Lessor and Lessee may agree to any other payment schedule, including irregular payments or balloon payments, in which event they shall be set forth in the Supplement. If the actual cost of the Equipment is more or less than the Total Cost as shown in the Supplement, the amount of each installment of rent will be adjusted up or down to provide the same yield to Lessor as would have been obtained if the actual cost had been the same as the Total Cost. Adjustments of 10% or less may be made by written notice from Lessor to Lessee. Adjustments of more than 10% shall be made by execution of an amendment to the Supplement reflecting the change in Total Cost and Basic Rental Payment.

In addition to basic rent, Lessee agrees to pay interim rent for each day during the period beginning on the date an item of Equipment is delivered and accepted by Lessee to the Rent Commencement Date at a daily rate equal to the percentage of Lessor's cost of the Equipment set forth in such Supplement. Interim rent shall be payable on the Rent Commencement Date. Lessee agrees that if all of the items of Equipment covered by such Supplement have not been delivered and accepted thereunder before the date specified as the Cutoff Date in such Supplement, Lessee shall purchase from Lessor the items of Equipment then subject to this Lease within five days after Lessor's request to do so for a price equal to Lessor's cost of such items plus all accrued but unpaid interim rent thereon. Lessee shall also pay any applicable sales and use tax on such sale.

4. **SECURITY DEPOSIT.** Lessor may apply any security deposit toward any obligation of Lessee under any Supplement and shall return any unapplied balance to Lessee without interest upon full satisfaction of all of Lessee's obligations.

5. **NO WARRANTIES.** Lessee agrees that it has selected each item of Equipment based upon its own judgment and disclaims any reliance upon any statements or representations made by Lessor. LESSEE ACKNOWLEDGES THAT: LESSOR IS NOT THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN; THE EQUIPMENT IS OF A SIZE, DESIGN, CAPACITY, DESCRIPTION AND MANUFACTURE SELECTED BY LESSEE; LESSEE IS SATISFIED THAT THE EQUIPMENT IS SUITABLE AND FIT FOR ITS PURPOSES; AND LESSOR HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY WITH RESPECT TO THE EQUIPMENT, EXPRESS OR IMPLIED, AND LESSOR SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, THE QUALITY, CONDITION OR CAPACITY OF THE EQUIPMENT OR THE MATERIALS IN THE EQUIPMENT OR WORKMANSHIP OF THE EQUIPMENT, LESSOR'S TITLE TO THE EQUIPMENT, NOR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER. LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LOSS, DAMAGE, OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY ANY EQUIPMENT OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OR OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED. LESSOR SHALL NOT BE LIABLE FOR DAMAGES OF ANY KIND INCLUDING ANY LIABILITY FOR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR THE INABILITY TO USE THE EQUIPMENT. No defect or unfitness of the Equipment, nor any failure on the part of the manufacturer or the shipper of the Equipment to deliver the Equipment or any part thereof to Lessee, shall relieve Lessee of the obligation to pay rent or any other obligation hereunder. Lessor shall have no obligation in respect of the Equipment and shall have no obligation to install, erect, test, adjust or service

the Equipment. Lessee shall look only to persons other than Lessor such as the manufacturer, vendor or carrier thereof should any item of Equipment for any reason be defective.

6. TITLE, IDENTIFICATION, RECORDING. This Lease is a lease and not a security agreement and Lessee has no right, title or interest in the Equipment except as lessee. Lessee has caused, or will cause, each unit of Equipment to be numbered with its reporting mark shown on the relevant Supplement and Lessee will not change the reporting mark of any unit of Equipment unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with Lessor and filed, recorded and deposited by Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) Lessee shall have furnished Lessor an opinion of counsel in form and substance reasonably satisfactory to Lessor to the effect that such statement has been so filed, recorded and deposited, such filing, recording, deposit or giving of notice with or to any other Federal, State or local government or agency thereof is necessary to protect the interests of Lessor in such Equipment. The Equipment may be lettered with the names or initials or other insignia customarily used by Lessee or its permitted sublessees, but Lessee will not allow the name of any other person to be placed on the Equipment as a designation that might be interpreted as a claim of ownership, except Lessor. Lessor, at Lessee's expense, will cause this Master Lease and all Supplements to be filed with the Surface Transportation Board and will obtain an opinion of counsel, satisfactory to Lessor, that other than the Memorandum of Railcar Master Lease Agreement, there are no documents evidencing a lien or encumbrance on, or security interest in, the Equipment appearing in the recordation files and records maintained by the Surface Transportation Board pursuant to 49 U.S.C. Section 11301(b) and the regulations thereunder.

7. COVENANTS. (a) Affirmative Covenants. Lessee shall: (i) pay all shipping and delivery charges and other expenses incurred in connection with the Equipment and pay all lawful claims, whether for labor, materials, supplies, rent or services, which might or could if unpaid become a lien on the Equipment; (ii) comply with all laws and regulations and rules, all manufacturer's instructions and warranty requirements, and with the conditions and requirements of all policies of insurance, in each case, relating to the Equipment and its use; (iii) mark and identify the Equipment with all information and in such manner as Lessor or its assigns may request from time to time and replace promptly any such markings or identification which are removed, defaced or destroyed; (iv) maintain a system of accounts established and administered in accordance with generally accepted accounting principles and practices consistently applied; and (v) within thirty (30) days after the end of each fiscal quarter, deliver to Lessor a balance sheet as at the end of such quarter and statement of operations for such quarter, and within one hundred and twenty (120) days after the end of each fiscal year, deliver to Lessor a balance sheet as at the end of such year and statement of operations for such year, in each case prepared in accordance with generally accepted accounting principles and practices consistently applied and, in the case of quarterly financial statements, certified by Lessee's chief financial officer as fairly presenting the financial position and results of operations of Lessee, and, in the case of year end financial statements, certified, by an independent accounting firm acceptable to Lessor. (b) Negative Covenants. Lessee shall not (i) voluntarily or involuntarily create, incur, assume or suffer to exist any mortgage, lien, security interest, pledge or other encumbrance or attachment of any kind whatsoever upon, affecting or with respect to the Equipment or this Lease or any of Lessee's interest thereunder delinquent; (ii) ASSIGN OR IN ANY WAY DISPOSE OF ALL OR ANY PART OF ITS RIGHTS OR OBLIGATIONS UNDER THIS LEASE OR ENTER INTO ANY SUBLEASE OF ALL OR ANY PART OF THE EQUIPMENT (EXCEPT AS PROVIDED IN PARAGRAPH 9 HEREOF); (iii) change its name or address from that set forth above unless it shall have given Lessor no less than thirty (30) days' prior written notice thereof; (iv) without Lessor's prior written consent, permit the sale or transfer of any shares of its capital stock or of any ownership interest in the Lessee to any person, persons, entity or entities (whether in one single

transaction or in multiple transactions) which results in a transfer of a majority interest in the ownership and/or the control of the Lessee from the person, persons, entity or entities who hold ownership and/or control of the Lessee as of the date of this Master Lease; or (v) without Lessor's prior written consent, consolidate with or merge into or with any other entity, or purchase or otherwise acquire all or substantially all of the assets or stock or other ownership interest of any person or entity or sell, transfer, lease or otherwise dispose of all or substantially all of Lessee's assets to any person or entity.

8. LAWS AND TAXES. Lessee agrees to comply with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the rules of the Association of American Railroads, the United States Department of Transportation, the Surface Transportation Board and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect title, operation, maintenance or the use of the Equipment, and in the event that such laws or rules require any alteration, replacement or addition of or to any Equipment, Lessee will conform therewith at its own expense. Lessee shall promptly pay when due all sales, use, property, excise and other related taxes and all license and registration fees now or hereafter imposed by any governmental body or agency upon the Equipment or its use, purchase, ownership, delivery, leasing, possession, storage, operation, maintenance, repair, return or other disposition of the Equipment, or for titling or registering the Equipment, or upon the income or other proceeds received with respect to the Equipment or this Lease or the rentals hereunder; provided, however, that Lessee shall not be required to pay taxes on or measured by the net income of Lessor. Lessee shall prepare and file, or cause to be prepared and filed, all tax returns relating to taxes for which Lessee is responsible hereunder which Lessee is permitted to file under the laws of the applicable taxing jurisdiction. If Lessee is not permitted, under the laws of the applicable taxing jurisdiction, to file a tax return relating to taxes for which Lessee is responsible hereunder, Lessee shall provide to Lessor all information requested by Lessor to enable Lessor to prepare and file the same.

9. POSSESSION AND USE. So long as no Event of Default shall have occurred and be continuing hereunder, Lessee shall be entitled to the possession and quiet use and enjoyment of the Equipment in accordance with the terms of this Lease. Lessee shall not assign or sublease its leasehold interest under this Lease in the Equipment except (a) as provided in this paragraph 9 or (b) pursuant to such arrangements and to such parties as shall be subject to the reasonable approval (evidenced by a written instrument) of Lessor. Lessee shall not use the Equipment, or permit it to be used, for the transportation or storage of any substance which is categorized as, or required to be labeled as, "poison" or "poisonous", "explosive", or "radioactive" (or any categories or labels substituted for such categories or labels as in effect on the day hereof) under 49 CFR 171 or other applicable Federal rules in effect from time to time regulating the transportation of hazardous materials. So long as no Event of Default shall have occurred and be continuing hereunder, Lessee shall be entitled to the possession and use of the Equipment upon the lines of a railroad owned or operated by it or upon lines over which Lessee has trackage or other operating rights or over which railroad Equipment of Lessee is regularly operated pursuant to contract and shall be entitled to permit the use of the Equipment upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements and to assign its rights to the Equipment or sublease the Equipment, but only upon and subject to all the terms and conditions of this Lease; provided, that without Lessor's prior written consent (which shall not be unreasonably withheld or delayed), no such assignment or sublease shall be for a term in excess of the then remaining term of this Lease, and provided Lessee's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety; and provided, further, that Lessee shall not without Lessor's written consent assign or sublease the Equipment to, or permit the assignment or sublease of the Equipment to, any person who shall then be engaged in any proceedings for relief under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations,

arrangement or compositions or extensions of indebtedness. Lessee may receive and retain compensation for the use of any of the Equipment from railroads or other entities so using such Equipment. Each sublease or assignment permitted by this paragraph 9 shall (a) be expressly subject and subordinate to all of the provisions of this Lease, (b) expressly require the Equipment subject thereto to be returned as directed by Lessor upon notice to such assignee or sublessee that an Event of Default shall have occurred and be continuing and (c) expressly prohibit any further sublease or assignment of the Equipment. Lessee shall, within fifteen (15) days after the execution of any such sublease, deliver a conformed copy thereof to Lessor.

10. INDEMNITY. Lessee hereby agrees to indemnify and hold Lessor harmless from and against any and all claims, losses, liabilities (including negligence, tort and strict liability), damages, judgments, suits, and all legal proceedings, and any and all costs and expenses in connection therewith (including attorneys' fees) arising out of or in any manner connected with the manufacture, purchase, financing, ownership, delivery, rejection, non-delivery, transportation, possession, use, storage, operation, condition, maintenance, repair, return or other disposition of the Equipment or with this Lease, including without limitation, claims for injury to or death of persons and for damage to property, and give Lessor prompt notice of any such claim or liability.

11. ASSIGNMENT. Lessor may assign its interest in this Lease and sell or grant a security interest in all or any part of the Equipment without notice to or the consent of Lessee. Lessee agrees not to assert against any assignee of Lessor any claim or defense Lessee may have against Lessor.

12. USE AND MAINTENANCE. Lessee will use the Equipment with due care and for the purpose for which it is intended. Lessee agrees that, at its own cost and expense, it will maintain and service the Equipment (including any parts installed on or replacements made to the Equipment and considered an accession thereto) which is subject to this Lease consistent with Lessee's standards for similar owned or leased Equipment, so that the Equipment and each component thereof, will remain, at all times during the term of this Lease, (a) in the same operating order, repair and condition as when originally delivered to Lessee reasonable wear and tear excepted, (b) in compliance with any and all applicable laws, regulations, requirements and rules including, without limitation, those set forth in paragraph 8 hereof, and (c) in compliance with any manufacturer's recommendations, maintenance standards, service bulletins, manuals and preventive maintenance schedules relating to the Equipment, all as in effect from time to time during the term of this Lease. Lessee shall maintain all records, logs and other materials required by the Association of American Railroads or the Department of Transportation, or any other governmental authority having jurisdiction over the Equipment or Lessee. Lessee, at its own cost and expense, may from time to time make such other additions, modifications and improvements to the Equipment during the term of this Lease as are readily removable without causing material damage to the Equipment (and do not adversely and materially affect the value, utility and remaining useful life of the Equipment). The additions, modifications and improvements made by Lessee under the preceding sentence shall be owned by Lessee, except to the extent such additions, modifications or improvements are made to comply with the following sentence. Any and all parts installed on and additions and replacements made to the Equipment which are (x) not readily removable without causing material damage to the Equipment, (y) in the course of ordinary maintenance, or (z) required by the interchange rules of the Association of American Railroads or by the regulations of the Surface Transportation Board, the Department of Transportation or any other applicable regulatory body, for the operation or use of the Equipment in railroad interchange, shall constitute accessions to the Equipment and full ownership thereof free from any lien, charge, security interest, or encumbrance and shall immediately be vested in Lessor (unless otherwise agreed to by the parties) and Lessee shall comply with all provisions of paragraph 7 hereof applicable to such accessions.

13. LOSS OR DAMAGE. Lessee hereby assumes and shall bear the entire risk of loss, from theft, damage or destruction of all or any item of the Equipment from any cause whatsoever during the term of this lease, and no loss, theft, damage or destruction of all or any item of the Equipment shall relieve Lessee of its obligation to pay basic rent or any other obligation under this Lease. The risk of loss shall pass to Lessee on the earlier of (i) delivery of the Equipment to a carrier for shipment to Lessee, (ii) tender of the Equipment to Lessee, or (iii) acknowledgment by a bailee who holds the Equipment of Lessee's right to possession of the Equipment. In the event of damage to any item of Equipment, Lessee shall immediately place the same in good repair (ordinary wear and tear excepted). If Lessor determines that any item of Equipment is lost, stolen, destroyed, damaged beyond repair or rendered permanently unfit for use for any reason, or in the event of condemnation or seizure of any item of Equipment, Lessee shall (at Lessee's option unless Lessee is then in default of its obligations under this Lease in which case, Lessee shall pay the amount due under (ii) below) (i) replace such item of Equipment with identical equipment in good repair and transfer title thereto to Lessor free and clear of any all liens, claims and encumbrances of any kind or nature whatsoever, or (ii) pay Lessor in cash the sum of (a) the amount of all rent and other amounts payable by Lessee hereunder with respect to such item due but unpaid at the date of such payment plus (b) the Stipulated Loss Value of such item of Equipment determined in accordance with the applicable Supplement. Upon payment of such amount to Lessor, or replacement of such equipment, such item shall no longer be subject to the terms of this Lease, shall become the property of Lessee, Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest therein, the rent with respect to such item shall terminate, and the basic rental payments on the remaining items shall be reduced accordingly. Upon request by Lessee, Lessor shall deliver to Lessee a bill of sale transferring such item of Equipment to Lessee, without recourse or warranty, except that at the time of such transfer such item is free and clear of all Lessor Liens and the security interest and other liens, if any, created by this Lease. Lessee shall pay any applicable sales and use taxes due on such transfer. Any insurance, condemnation or other proceeds not used to repair or replace the affected Equipment received shall be paid to Lessor and credited to Lessee's obligation under this paragraph 13; provided, however, that if Lessee has replaced the item of Equipment pursuant to this paragraph 13 or Lessor has received the amount required to be paid pursuant to this paragraph 13, Lessee shall be entitled to any insurance, condemnation or other proceeds.

14. INSURANCE. Lessee shall obtain and maintain on or with respect to the Equipment at its own expense (a) liability insurance insuring against liability for bodily injury and property damage with a minimum limit of \$5,000,000 combined single limit (or such greater amount as may be required by the Association of American Railroads, the Interstate Commerce Commission, the Department of Transportation or any other governmental body or agency having jurisdiction over the Equipment) and (b) physical damage insurance insuring against loss or damage to the Equipment in an amount not less than the Stipulated Loss Value of the Equipment determined in accordance with the applicable Supplement. Lessee shall furnish Lessor with a certificate of insurance evidencing the issuance of a policy or policies to Lessee in at least the minimum amounts required herein naming Lessor as an additional insured thereunder with respect to this Lease for the liability coverage and as loss payee as its interests may appear for the property damage coverage. Each such policy shall be in such form and with such insurers as may be satisfactory to Lessor, and shall contain a clause requiring the insurer to give to Lessor at least 10 days prior written notice of any material alteration in the terms of such policy or the cancellation thereof, and a clause specifying that no action or misrepresentation by Lessee shall invalidate such policy. Lessor shall be under no duty to ascertain the existence of or to examine any such policy or to advise Lessee in the event any such policy shall not comply with the requirements hereof. Lessee shall comply with all restrictions (including any geographical limitations) contained in any insurance policies. Lessee shall notify Lessor immediately in writing of any accident involving the

Equipment regardless of the amount of damage, and shall cooperate fully with Lessor and all insurance companies in the investigation, prosecution and defense of claims. The proceeds of any insurance, at the option of Lessor, shall be applied toward the replacement, restoration or repair of the Equipment or toward the payment of Lessee's obligations under this Lease.

15. RETURN OF THE EQUIPMENT. Upon the expiration of this Lease or any prior termination of this Lease by Lessor for any reason, Lessee shall return the Equipment then subject to this Lease to Lessor in the condition hereinafter provided by causing all such Equipment to be moved at Lessee's expense to a location within the continental United States as Lessor may direct. Each unit of Equipment returned to Lessor shall be (i) in good operating condition, order and repair, suitable for use in its intended service, with all components, systems and parts of a type, size, and quality standard as the original manufacturer's specifications, (ii) in interchange condition, in accordance with the standards set by the American Association of Railroads Interchange Rules and by any other applicable rules and regulations and any other governmental body having jurisdiction in the matter, (iii) free of any special advertising, lettering or other marking which indicate Lessee has an interest in the Equipment (except markings which are required by paragraph 6 hereof), (iv) cleaned (both interior and exterior) of any silt, sludge or other debris and otherwise in the condition required elsewhere in this Lease and commercially suitable to perform the service for which such Equipment is intended and to carry the commodities which are normal and customary for such type of Equipment; and (v) free of corrosion or any other commodity-related damage which cause the Equipment not to be capable of being used for its intended purpose (including accumulations or deposits of commodities, whether from commodities transported in or on the Equipment while in the service of Lessee or otherwise). Lessor or its representative shall inspect the Equipment to verify that each item has been returned in compliance with the terms and conditions of this Lease. In the event any item of Equipment does not conform to all of the foregoing requirements, Lessee, at its expense, shall be responsible to either promptly make such repairs as are required to permit each item of Equipment to conform to the foregoing requirements or to forward the Equipment to a repair facility (acceptable to Lessor) for such repairs and Lessee shall pay the costs of such repairs. Until such Equipment is returned to Lessor in the condition required by the terms of this Lease, Lessee shall continue to pay rent at the daily rent equivalent under this Lease until all such Equipment is in the condition required by the terms of this Lease.

16. ADDITIONAL ACTION. Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may request in order to carry out more effectively the intent and purpose of this Lease, including the execution and delivery of appropriate financing statements to protect fully Lessor's interest hereunder in accordance with the Uniform Commercial Code or other applicable law. Lessor and any assignee of Lessor is authorized to file one or more Uniform Commercial Code financing statements without the signature of Lessee or signed by Lessor or any assignee of Lessor as attorney-in-fact for Lessee.

17. LATE CHARGES. If any payment, whether for rent or otherwise, is not paid when due, Lessor may impose a late charge of 5% of the amount of the amount past due (or the maximum amount permitted by applicable law if less). Payments thereafter received shall be applied first to delinquent installments and then to current installments.

18. DEFAULT. Each of the following events shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to pay when due any installment of interim rent, basic rent or any other amount due hereunder; (b) any certificate, statement, representation, warranty or financial or credit information heretofore or hereafter made or furnished by or on behalf of Lessee or any guarantor of any of Lessee's obligations hereunder proves to have been false or misleading in any material respect or omitted any

material fact, contingent or unliquidated liability or claim against Lessee or any such guarantor when made; (c) Lessee shall fail to observe or perform any other agreement to be observed or performed by Lessee hereunder and the continuance thereof for 10 calendar days following written notice thereof by Lessor to Lessee; (d) Lessee or any guarantor of this Lease or any partner of Lessee if Lessee is a partnership shall cease doing business as a going concern or make an assignment for the benefit of creditors; (e) Lessee or any guarantor of this Lease or any partner of Lessee if Lessee is a partnership shall voluntarily file, or have filed against it involuntarily, a petition for liquidation, reorganization, adjustment of debt, or similar relief under the federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver, or liquidator shall be appointed of it or of all or a substantial part of its assets; (f) Lessee or any guarantor of any of Lessee's obligations hereunder shall be in breach of or in default in the payment or performance of any obligation owing to any bank, lender, lessor or financial institution, howsoever arising; (g) any individual Lessee, guarantor of this Lease, or partner of Lessee if Lessee is a partnership shall die; (h) an event of default shall occur under any other obligation Lessee owes to Lessor; (i) an event of default shall occur under any indebtedness Lessee may now or hereafter owe to any affiliate of Lessor; or (j) Lessee shall suffer an adverse material change in its financial condition from the date hereof, and as a result thereof Lessor deems itself or any of the Equipment to be insecure.

19. REMEDIES. Lessor and Lessee agree that Lessor's damages suffered by reason of an Event of Default are uncertain and not capable of exact measurement at the time this Lease is executed because the value of the Equipment at the expiration of this Lease is uncertain, and therefore they agree that for purposes of this paragraph 19 "Lessor's Loss" as of any date shall be the sum of the following: (1) the amount of all rent and other amounts payable by Lessee hereunder due but unpaid as of such date plus (2) the Stipulated Loss Value of the Equipment as set forth in the applicable Supplement. Upon the occurrence of an Event of Default and at any time thereafter, Lessor may exercise any one or more of the remedies listed below as Lessor in its sole discretion may lawfully elect; provided, however, that upon the occurrence of an Event of Default specified in paragraph 18(e), an amount equal to Lessor's Loss as of the date of such occurrence shall automatically become and be immediately due and payable without notice or demand of any kind.

(a) Lessor may, by written notice to Lessee, terminate this Lease and declare an amount equal to Lessor's Loss as of the date of such notice to be immediately due and payable, and the same shall thereupon be and become immediately due and payable without further notice or demand, and all rights of Lessee to use the Equipment shall terminate, but Lessee shall be and remain liable as provided in this paragraph 19. Lessee shall, at its expense, promptly deliver the Equipment to Lessor at any location within the continental United States as Lessor may direct.

(b) Lessor may proceed by appropriate court action to enforce performance by Lessee of the applicable covenants of this Lease or to recover, for breach of this Lease, Lessor's Loss as of the date Lessor's Loss is declared due and payable hereunder; provided, however, that upon recovery of Lessor's Loss from Lessee in any such action without having to repossess and dispose of the Equipment, Lessor shall transfer the Equipment to Lessee at its then location upon payment of any additional amount due under clauses (d) and (e) below. Upon request by Lessee, Lessor shall deliver to Lessee a bill of sale transferring such item of Equipment to Lessee, without recourse or warranty, except that at the time of transfer such item is free and clear of all Lessor liens and the security interest and other liens, if any, created by this Lease.

(c) In the event Lessor repossesses the Equipment, Lessor shall either retain the Equipment in full satisfaction of Lessee's obligation hereunder or sell or lease each item of Equipment in such manner and upon such terms as Lessor may in its sole discretion determine. The proceeds of such sale or lease shall be applied to reimburse Lessor for Lessor's Loss and any additional amount due under clauses (d) and (e)

below. Lessor shall be entitled to any surplus and Lessee shall remain liable for any deficiency. For purposes of this subparagraph, the proceeds of any lease of all or any part of the Equipment by Lessor shall be the amount reasonably assigned by Lessor as the cost of such Equipment in determining the rent under such lease.

(d) Lessor may recover interest on the unpaid balance of Lessor's Loss from the date it becomes payable until fully paid at the rate of the lesser of 12% per annum or the highest rate permitted by law.

(e) Lessor may exercise any other right or remedy available to it by law or by agreement, and may in any event recover legal fees and other costs and expenses incurred by reason of an Event of Default or the exercise of any remedy hereunder, including expenses of repossession, repair, storage, transportation, and disposition of the Equipment.

If any Supplement is deemed at any time to be a lease intended as security, Lessee grants Lessor a security interest in the Equipment to secure its obligations under such Supplement, all other Supplements and all other indebtedness at any time owing by Lessee to Lessor. Lessor agrees that upon the occurrence of an Event of Default, in addition to all of the other rights and remedies available to Lessor hereunder, Lessor shall have all of the rights and remedies of a secured party under the Uniform Commercial Code.

No remedy given in this paragraph 19 is intended to be exclusive, and each shall be cumulative but only to the extent necessary to permit Lessor to recover amounts for which Lessee is liable hereunder. No express or implied waiver by Lessor of any breach of Lessee's obligations hereunder shall constitute a waiver of any breach of Lessee's obligations hereunder.

20. NOTICES. Any written notice hereunder to Lessee or Lessor shall be deemed to have been given when delivered personally, or deposited with a recognized overnight courier service for next day delivery or deposited in the United States mails, postage prepaid, certified or registered and addressed to recipient at its address set forth above or at such other address as either party may direct.

21. NET LEASE AND UNCONDITIONAL OBLIGATION. This Lease is a completely net lease and Lessee's obligation to pay rent and all other amounts payable by Lessee hereunder is absolute, unconditional and irrevocable, and shall be paid without any abatement, reduction, setoff or defense of any kind.

22. NON-CANCELLABLE LEASE. This Lease cannot be canceled or terminated except as expressly provided herein.

23. SURVIVAL OF INDEMNITIES. Lessee's obligations under paragraphs 8, 10 and 19 shall survive termination of this Lease, but only to the extent such obligations arose or accrued during the Lease term.

24. ENVIRONMENTAL COMPLIANCE. Lessee has obtained all permits, licenses and other authorizations pertaining to the Equipment, if any, which are required under federal, state and local laws relating to pollution or protection of the environment, including laws relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, hazardous or toxic materials or wastes ("Environmental Laws"). With respect to the Equipment, Lessee is in compliance with all terms and conditions of such required permits, licenses and authorizations and also in full compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables contained in the Environmental Laws or contained in any plan, order, decree, judgment or notice. Lessee is further not aware of, nor has Lessee received, any notice of any events, conditions,

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circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent continued compliance or which may give rise to any liability under any Environmental Laws with respect to the Equipment.

25. NON-WAIVER. No course of dealing between Lessor and Lessee or any delay or omission on the part of Lessor in exercising any rights hereunder shall operate as a waiver of any rights of Lessor. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. No waiver or consent shall be binding upon Lessor unless it is in writing and signed by Lessor. To the extent permitted by applicable law, Lessee hereby waives the benefit and advantage of, and covenants not to assert against Lessor, any valuation, inquisition, stay, appraisement, extension or redemption laws now existing or which may hereafter exist which, but for this provision, might be applicable to any sale or re-leasing made under the judgment, order or decree of any court or under the powers of sale and re-leasing conferred by this Lease or otherwise. To the extent permitted by applicable law, Lessee hereby waives any and all rights and remedies conferred upon a Lessee by Article 2A-508 through 2A-522 of the Uniform Commercial Code, including but not limited to Lessee's rights to: (i) cancel this Lease; (ii) repudiate this Lease; (iii) reject the Equipment; (iv) revoke acceptance of the Equipment; (v) recover damages from Lessor for any breaches of warranty or for any other reason; (vi) claim a security interest in the Equipment in Lessee's possession or control for any reason; (vii) deduct all or any part of any claimed damages resulting from Lessor's default, if any, under this Lease; (viii) accept partial delivery of the Equipment; (ix) "cover" by making any purchase or lease of or contract to purchase or lease Equipment in substitution of Equipment identified to this Lease; (x) recover any general, special, incidental, or consequential damages, for any reason whatsoever; and (xi) specific performance, replevin, detinue, sequestration, claim, delivery or the like for any Equipment identified to this Lease. To the extent permitted by applicable law, Lessee also hereby waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use any Equipment in mitigation of Lessor's damages as set forth in paragraph 18 or which may otherwise limit or modify any of Lessor's rights or remedies under paragraph 18.

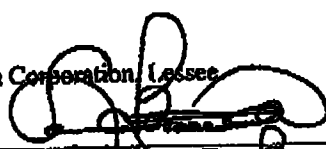
26. MISCELLANEOUS. This Master Lease and related Supplement(s) constitute the entire agreement between Lessor and Lessee and may be modified only by a written instrument signed by Lessor and Lessee. Any provision of this Lease which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Lease, and any such unenforceability in any jurisdiction shall not render unenforceable such provision in any other jurisdiction. Paragraph headings are for convenience only, are not part of this Lease and shall not be deemed to effect the meaning or construction of any of the provisions hereof. This Master Lease and the Supplements may be executed in any number of counterparts but only one such counterpart shall be marked "Original" and all other counterparts shall be marked "Duplicate". To the extent that this Lease constitutes chattel paper under the Uniform Commercial Code, the original of a lease shall mean a copy of the Master Lease and the counterpart of the Supplement marked "Original". In the event there is more than one Lessee named in this Master Lease or in any Supplement, the obligations of each shall be joint and several. This Lease shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Minnesota. LESSEE AND LESSOR HEREBY WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO ANY MATTER ARISING UNDER OR IN CONNECTION WITH THIS LEASE. TIME IS OF THE ESSENCE WITH RESPECT TO THE OBLIGATIONS OF LESSEE UNDER THIS LEASE.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Railcar Master Lease Agreement to be executed as of the date first written above.

WELLS FARGO EQUIPMENT FINANCE, INC.

By: _____
Name: _____
Title: _____

Strata Corporation, Lessee

By: 
Name: James R. Bradshaw
Title: President